

Century Telephone Enterprises, Inc.

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R. Stewart Ewing, Jr.
Senior Vice President and
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December 18, 2000

VIA OVERNIGHT DELIVERY

K. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

Re: CenturyTel Solutions, LLC (Docket No. 00-00075)

Dear Mr. Waddell:

On behalf of CenturyTel, Inc. ("CTI") and CenturyTel Solutions, LLC ("CTS"), and pursuant to the Authority's Request for further information by letter dated December 7, 2000, I have attached our response as follows.

To process CTS' application for a Certificate of Public Convenience and Necessity to provide facilities-based and resold local exchange and exchange access telecommunications services in the State of Tennessee, the Authority has requested additional information concerning CTS as well as information relating to the rural exemption status of various CTI affiliates operating in Tennessee.

- (1) Why is CenturyTel, Inc. establishing a separate entity for provisioning of telecommunications services?

CTI is a regional diversified communications company engaged primarily in providing local exchange telephone service and wireless telephone communications services. Through its current operating telephone subsidiaries, CTI provides services to predominately rural, suburban and small urban markets in approximately 21 states, including Tennessee.

CTS, as a CLEC-affiliate of CTI, is currently seeking to provide competitive resold and facilities-based local exchange and exchange access telecommunications services in several states, including the State of Tennessee. There are several reasons for separation of CTS and CTI's incumbent local exchange entities, including: (i) CTI wants to be able to

separately track the financial performance of CTS' operations; (ii.) CTS has its own management, regulatory and marketing functions and day-to-day operational decisions relating to CTS' roll out of service and management of competitive markets is distinct from management of CTI's incumbent local exchange entities and (iii.) because CTS is a speculative, start-up enterprise that will potentially require significant capital and other expenditures, we do not believe it is appropriate to burden the incumbent regulated entity with its operations.

- (2) Is CenturyTel Solutions, LLC going to provide any telecommunications services in the Adamsville ILEC, Claiborne ILEC or Ooltewah-Collegedale territory?

No. CTS does not intend to provide services in the service areas of CTI's rural ILEC affiliates providing service in the State of Tennessee.

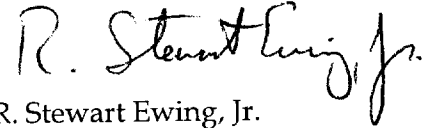
- (3) If the Authority finds that approval of this petition results in lifting of the exemption for CenturyTel of Adamsville, Claiborne, and Ooltewah/Collegedale, according to TCA §65-4-201(d), does CenturyTel Solutions, LLC still wish to proceed with the application.

No. In seeking certification to provide telecommunications services to other areas in Tennessee, CTI is not willing to forego the exemption that permits its incumbent local exchange affiliates to effectively service their customers in Tennessee. Moreover, it is our position that approval of CTS' application to provide telecommunications services in the State of Tennessee would not trigger a basis for a termination of the rural exemption held by CenturyTel of Adamsville, CenturyTel of Claiborne, and CenturyTel of Ooltewah-Collegedale under TCA §65-4-201(d), and as required by the 1996 Act.¹

¹ Pursuant to Section 251(f)(1) of the Act, any incumbent LEC that qualifies as a rural telephone company, as that term is defined in 47 U.S.C. § 153(37), is exempt from the obligations of Section 251(c) until it receives a *bona fide* request for interconnection, services, or network elements, and the appropriate state public utility commission ("PUC") determines that the exemption should be terminated. Once a *bona fide* request is received, the rural telephone company must then offer evidence before the relevant state PUC that it is entitled to a continued exemption by demonstrating that application of Section 251(c) obligations "would be likely to cause undue economic burden beyond the economic burden that is typically associated with efficient competitive entry."

If you have any additional questions or concerns concerning this filing, please contact John Jones at (318) 362-1583 or Ron Johnson at (318) 3340-5588.

Respectfully submitted,

A handwritten signature in black ink that reads "R. Stewart Ewing, Jr." The signature is written in a cursive, flowing style.

R. Stewart Ewing, Jr.
Executive Vice President and Chief Financial Officer
CenturyTel, Inc. and CenturyTel Solutions, LLC

cc: Darrell Whitis (Telecommunications Division, TRA)
Glen F. Post, III (CTI)
Stacey Goff (CTI)
Ron Johnson (CTI)
Susan Smith (CTS)
Phyllis Whitten (Swidler, Berlin)